

OCTOBER 27, 1978

THIS WEEK NO. 43

ANNCR:

"THIS WEEK."

FROM THE VOICE OF AMERICA, THE HIGHLIGHTS OF THE WEEK GONE BY...A LOOK AT SOME OF THE EVENTS, A CROSS-SECTION OF THE IDEAS, AND THE VOICES OF SOME OF THE PEOPLE WHO MADE NEWS DURING THE PAST SEVEN DAYS. YOUR NARRATOR IS _____.

NARR:

PRESIDENT CARTER PRESENTED HIS NEW ANTI-INFLATION PROPOSALS TO THE AMERICAN PEOPLE THIS WEEK. HE ASKED ALL AMERICAN WORKERS, EXCEPT THE LOWEST PAID, TO LIMIT THEIR WAGE INCREASES TO A MAXIMUM OF 7 PERCENT PER YEAR. AND HE CALLED FOR LIMITS ON PRICE INCREASES WITHIN A GENERAL TARGET OF FIVE AND THREE QUARTERS PERCENT.

THE VOLUNTARY WAGE AND PRICE STANDARDS, AS MISTER CARTER CALLED THEM, ARE PART OF A COORDINATED PROGRAM AIMED AT REDUCING INFLATION FROM ITS PRESENT ANNUAL RATE OF OVER EIGHT PERCENT TO A RATE OF AROUND SIX PERCENT IN THE YEAR AHEAD. THE PRESIDENT LISTED WHAT THE GOVERNMENT WILL DO FOR ITS PART IN THE ANTI-INFLATION FIGHT:

TAPE: CUT ONE -- CARTER

"WE ARE GOING TO HOLD DOWN GOVERNMENT SPENDING, REDUCE THE BUDGET DEFICIT, AND ELIMINATE GOVERNMENT WASTE. WE WILL SLASH FEDERAL HIRING AND CUT THE FEDERAL WORKFORCE. WE WILL ELIMINATE NEEDLESS REGULATIONS. WE WILL BRING MORE COMPETITION BACK TO OUR ECONOMY, AND WE WILL OPPOSE ANY FURTHER REDUCTION IN FEDERAL INCOME TAXES UNTIL WE HAVE CONVINCING PROSPECTS THAT INFLATION CAN BE CONTROLLED."

NARR:

(OPT) REACTING TO THE PRESIDENT'S PROPOSALS, CONGRESSMAN JOHN ANDERSON, CHAIRMAN OF THE HOUSE REPUBLICAN CONFERENCE, PREDICTED THAT THE NEW PROGRAM WILL FAIL TO MODERATE INFLATION

BECAUSE, HE DID, IT DOES NOT ADDRESS ITSELF TO INFLATION'S REAL CAUSES. THERE IS ONLY ONE WAY TO ELIMINATE INFLATION, MISTER ANDERSON ARGUED, AND THAT IS TO ELIMINATE THE FEDERAL DEFICIT SPENDING. REPUBLICAN SENATOR JACOB JAVITS, ON THE OTHER HAND, SAID THAT WHILE PRESIDENT CARTER SHOULD BE COMMENDED FOR TRYING TO DEAL WITH INFLATION, HIS PROGRAM SEEMS DIRECTED MAINLY AT THE SYMPTOMS RATHER THAN AT WHAT MISTER JAVITS CALLED THE BASIC CAUSES -- LAGGING PRODUCTIVITY, A SLOWDOWN IN U.S. RESEARCH A DEVELOPMENT, AND THE SAGGING OF THE U.S. DOLLAR. (END OPT)

OVERSEAS, THE U.S. DOLLAR PLUNGED TO A NEW LOW THIS WEEK AS CURRENCY DEALERS APPEARED TO BE SHOWING DISAPPOINTMENT WITH PRESIDENT CARTER'S ANTI-INFLATION PROGRAM. THE DOLLAR CONTINUED ITS DOWNWARD MOVEMENT IN EUROPE FOLLOWING THE TREND SET IN TOKYO WHERE IT HIT THE LOWEST LEVEL AGAINST THE YEN SINCE WORLD WAR TWO. VOA CORRESPONDENT DAVID WILLIAMS REPORTS FROM LONDON:

TAPE: CUT TWO -- WILLIAMS

"IN LONDON, GOLD JUMPED ABOUT FIVE DOLLARS AN OUNCE IN EARLY TRADING TO 231 AND A HALF DOLLARS AN OUNCE. THE FIRST TIME GOLD HAD RISEN ABOVE THE 230 FIGURE. AT CLOSE OF BUSINESS, GOLD HAD EASED TO JUST UNDER THE 232 FIGURE, IN FRANKFURT, THE DOLLAR SANK AGAINST THE GERMAN MARK TO BELOW THE 1.78 FIGURE AND IN LONDON THE POUND STERLING ROSE AGAINST THE DOLLAR BY ABOUT TWO CENTS. CURRENCY DEALERS SAID THE MARKET WAS VERY NERVOUS AND TRADING WAS HECTIC."

NARR:

LATER IN THE WEEK, U.S. TREASURY SECRETARY MICHAEL BLUMENTHAL SAID THE LATEST DECLINE OF THE DOLLAR ABROAD MEANS CURRENCY DEALERS ARE MISJUDGING PRESIDENT CARTER'S ANTI-INFLATION PROGRAM

TAPE: CUT THREE -- BLUMENTHAL

"I THINK IT IS CLEAR THAT IT IS THE FUNDAMENTAL FACTORS THAT WILL DETERMINE THE TREND OF THE DOLLAR IN COMING WEEKS AND MONTHS. THE FUNDAMENTALS ARE MOVING, IN MY JUDGMENT, STRONGLY IN OUR DIRECTION, AND STRONGLY IN THE DIRECTION OF A STRENGTHENING OF THE DOLLAR."

NARR:

IN MIDEAST DEVELOPMENTS THIS WEEK, PEACE TALKS BETWEEN EGYPT AND ISRAEL TOOK AN UNEXPECTED TURN AFTER ISRAEL ANNOUNCED IT INTENDS TO STRENGTHEN THE SETTLEMENTS IT HAS ALREADY ESTABLISHED IN THE OCCUPIED WEST BANK. VOA CORRESPONDENT DEBI WEINSTEIN HAS THE REACTION FROM WASHINGTON:

TAPE: CUT FOUR -- WEINSTEIN

"SECRETARY OF STATE CYRUS VANCE SAID THE ISRAELI DECISION IS A VERY SERIOUS MATTER AND THAT THE UNITED STATES IS DEEPLY DISTURBED BY IT. A STATE DEPARTMENT SPOKESMAN SAID PRESIDENT CARTER PERSONALLY CONVEYED HIS CONCERN TO ISRAELI PRIME MINISTER BEGIN AND IS AWAITING A RESPONSE. REPORTS FROM CAIRO SAY THE EGYPTIAN GOVERNMENT IS CONSIDERING CALLING ITS TOP NEGOTIATORS HOME FOR CONSULTATIONS ON THE ISRAELI DECISION ON THE WEST BANK. THE SPOKESMAN SAID THE EGYPTIAN DELEGATION IS AWARE OF THE REPORTS, BUT HAS NOT RECEIVED ANY FORMAL INSTRUCTIONS TO RETURN HOME."

NARR:

LATER, ISRAELI FOREIGN MINISTER MOSHE DAYAN, ON HIS RETURN TO WASHINGTON FROM ISRAEL, VIGOROUSLY DEFENDED THE ACTION. HE SAID ISRAEL IS WITHIN ITS RIGHTS IN BRINGING ADDITIONAL PERSONS TO THE SETTLEMENTS. HE ADDED THAT ISRAEL HAS NEVER AGREED TO A FREEZE ON EXISTING SETTLEMENTS AND IS ACTING WITHIN THE FRAMEWORK OF THE CAMP DAVID AGREEMENTS.

EARLIER IN THE WEEK, THE ISRAELI CABINET CONCLUDED THREE DAYS OF DEBATE BY ENDORSING IN PRINCIPLE THE DRAFT PEACE TREATY NEGOTIATED IN WASHINGTON. BUT THE ISRAELI GOVERNMENT HAS PROPOSED A NUMBER OF AMENDMENTS AND ACCORDING TO MOST REPORTS, ISRAEL WILL INSIST THAT IT CLEARLY BE STATED THAT PROGRESS ON THE EGYPTIAN-ISRAELI TREATY N-O-T BE TIED IN ANY WAY TO PROGRESS ON THE AUTONOMY PLAN FOR THE GAZA STRIP AND THE WEST BANK.

(OPT) MEANWHILE, THE LEADERS OF SYRIA AND IRAQ ENDED THREE DAYS OF TALKS ON A NON-AGGRESSION PACT BETWEEN THE TWO COUNTRIES AND PLANS FOR A JOINT MILITARY COMMAND. SYRIAN PRESIDENT HAFEZ ASSAD'S VISIT TO BAGHDAD WAS HIS FIRST IN FIVE YEARS -- A PERIOD

IN WHICH RELATIONS BETWEEN SYRIA AND IRAQ DETERIORATED SHARPLY. THE BAGHDAD MEETING ENDED ONE WEEK BEFORE THE SCHEDULED START OF AN ARAB SUMMIT CONFERENCE IN THE IRAQI CAPITAL. THE IRAQI GOVERNMENT CALLED FOR THE SUMMIT TO DISCUSS WAYS TO OPPOSE THE CAMP DAVID FRAMEWORK FOR A MIDEAST SETTLEMENT. NOW THE SYRIAN-IRAQI RAPPROCHEMENT -- IF IT MATERIALIZES -- COULD STRENGTHEN THE HARDLINE ARAB CAMP. (END OPT)

THIS WEEK, JAPAN AND CHINA OFFICIALLY INAUGURATED THEIR TREATY OF PEACE AND FRIENDSHIP SIGNED LAST AUGUST BY EXCHANGING INSTRUMENTS OF RATIFICATION. IN TOKYO JAPANESE PRIME MINISTER TAKEO FUKUDA AND VISITING CHINESE VICE-PREMIER TENG HSIAO PING CALLED THE PACE A NEW STARTING POINT IN FRIENDLY, PEACEFUL AND COOPERATIVE RELATIONS BETWEEN THE TWO NATIONS AFTER A LONG PERIOD OF HOSTILITY. BOTH LEADERS SAID THE TREATY WILL CONTRIBUTE TO PEACE IN THE ASIAN AND PACIFIC REGIONS AND INCREASE COOPERATION BETWEEN TOKYO AND PEKING IN ALL FIELDS. VOA CORRESPONDENT EDWARD CONLEY REPORTED FROM TOKYO:

TAPE: CUT FIVE -- CONLEY

"MISTER TENG, WHILE REFRAINING FROM ATTACKING THE SOVIET UNION IN HIS BANQUET ADDRESS, REPORTEDLY TOLD MISTER FUKUDA IN THEIR PRIVATE DISCUSSION THAT THE SOVIET UNION WAS NOT SEEKING DETENTE IN THE WORLD, BUT INSTEAD WAS BUILDING ITS MILITARY ARSENAL AND TRYING TO IMPOSE ITS WILL IN VARIOUS PARTS OF THE WORLD. HE ALSO, ACCORDING TO JAPANESE SOURCES, CONDEMNED VIETNAM FOR WHAT HE CALLED TRYING TO DOMINATE SOUTHEAST ASIA WITH THE ASSISTANCE OF MOSCOW."

NARR:

IN DEVELOPMENTS IN SOUTHERN AFRICA THIS WEEK, THE UNITED STATES STRONGLY CONDEMNED LAST WEEK'S RHODESIAN RAIDS INTO ZAMBIA AND MOZAMBIQUE. A STATE DEPARTMENT SPOKESMAN SAID THE RAIDS INFLAME THE ATTITUDES OF THE OTHER PARTIES AND COULD HINDER EFFORTS TO PROMOTE MEANINGFUL NEGOTIATIONS. THE SPOKESMAN ADDED THAT THE UNITED STATES ESPECIALLY REGRETS THAT THE ATTACKS TOOK PLACE WHILE PRIME MINISTER IAN SMITH AND THE THREE BLACK

MEMBERS OF THE RHODESIAN EXECUTIVE COUNCIL WERE TRAVELING IN THE UNITED STATES.

EARLIER IN THE WEEK, ZAMBIAN PRESIDENT KENNETH KAUNDA STRONGLY CRITICIZED THE UNITED STATES FOR PERMITTING IAN SMITH, IN HIS WORDS, TO HAVE A PLATFORM IN WASHINGTON FROM WHICH TO LAUNCH THE RECENT ATTACKS. VOA CORRESPONDENT BOB CHANCELLOR HAS DETAILS FROM LUSAKA:

TAPE: CUT SIX -- CHANCELLOR

"PRESIDENT KAUNDA CONDEMNED IN THE STRONGEST POSSIBLE TERMS THE AGGRESSION AGAINST ZAMBIA. AND IT IS A PITY, HE ADDED, THAT SMITH'S ORDER TO HIS ARMY TO FIGHT WAS ISSUED FROM WASHINGTON WHILE SMITH WAS IN WASHINGTON. PRESIDENT KAUNDA ALSO CRITICIZED WHAT HE CALLED THE LUKEWARM CONDEMNATION OF THE RHODESIAN ATTACKS WHICH CAME FROM THE AMERICAN AND BRITISH GOVERNMENTS. LATER, IN RESPONSE TO A QUESTION, PRESIDENT KAUNDA MODIFIED HIS POSITION SOMEWHAT, SAYING THAT HE DOES NOT BELIEVE THAT THE UNITED STATES HAD PRIOR KNOWLEDGE OF, OR PARTICIPATED IN, THE PLANNING OF THE RHODESIAN ATTACKS."

NARR:

THE PROBLEM OF NAMIBIA WAS ALSO IN THE NEWS THIS WEEK AS THE AFRICAN GROUP AT THE UNITED NATIONS DECIDED TO CALL FOR AN URGENT MEETING OF THE SECURITY COUNCIL TO CONDEMN SOUTH AFRICA FOR NON-COOPERATION ON NAMIBIA AND TO INVOKE ECONOMIC SANCTIONS. HOWEVER, THE UNITED STATES AND THE FOUR OTHER WESTERN MEMBERS OF THE COUNCIL HAVE INDICATED THEY BELIEVE SOUTH AFRICA IS COOPERATING ENOUGH FOR THE U.N. TO GO FORWARD WITH PLANS TO SUPERVISE ELECTIONS LEADING TO A TRANSITION TO INDEPENDENCE IN NAMIBIA.(OPT) A U.S. OFFICIAL SAID IT IS IMPORTANT NOW FOR U.N. SECRETARY-GENERAL KURT WALDHEIM TO SEND HIS SPECIAL REPRESENTATIVE TO NAMIBIA TO MEASURE THE GOOD FAITH OF THE SOUTH AFRICAN GOVERNMENT? ATTITUDE TOWARD SOLVING THE NAMIBIAN PROBLEM. BUT THE AFRICAN DELEGATIONS AT THE U.N SAID THEY ARE IN NO MOOD TO LET THE UN REPRESENTATIVE GO TO NAMIBIA IN THE PRESENT CIRCUMSTANCES. THE NEXT FEW DAYS COULD TELL WHETHER THE AFRICAN STATES WILL STICK TO THEIR HARDLINE POSITION WHICH COULD TO A CONFRONTATION

WITH THE WESTERN COUNTRIES AT THE SECURITY COUNCIL, OR WHETHER THE TWO SIDES WILL, IN THE END, SETTLE ON A COMPROMISE THAT PUTS SOME FORM OF PRESSURE ON SOUTH AFRICAN BUT STILL ALLOWS DIPLOMATIC INITIATIVES TO CONTINUE. MEANWHILE, THE NAMIBIAN LIBERATION GROUP, SWAPO, REJECTED THE COMPROMISE ON INDEPENDENCE FOR THE TERRITORY WORKED OUT LAST WEEK BETWEEN SOUTH AFRICA AND THE WESTERN MEMBERS OF THE SECURITY COUNCIL. THAT COMPROMISE WOULD HAVE INVOLVED HOLDING BOTH THE PRETORIA-SPONSORED AND THE U.N. SPONSORED ELECTIONS IN TURN. (END OPT)

SECRETARY OF STATE SYRUS VANCE RETURNED TO WASHINGTON THIS WEEK TO REPORT TO PRESIDENT CARTER ON HIS TALKS WITH SOVIET LEADERS ON A NEW STRATEGIC ARMS ACCORD. VOA CORRESPONDENT MARK WILLEN HAS DETAILS FROM LONDON:

TAPE: CUT SEVEN -- WILLEN

"THE TALKS IN MOSCOW PRODUCES SOME PROGRESS, BUT NOT ENOUGH TO COMPLETE A NEW STRATEGIC ARMS ACCORD. A SENIOR AMERICAN OFFICIAL TOLD REPORTERS THAT TWO OF THE OUTSTANDING ISSUES WERE RESOLVED, BUT SEVERAL OTHERS WERE NOT AND HE SAID FURTHER DISCUSSIONS WILL BE NEEDED BEFORE PRESIDENT CARTER AND PRESIDENT BREZHNEV CAN MEET TO SIGN THE ACCORD. THE SOVIET POSITION IS THAT THERE IS NO POINT IN HAVING A SUMMIT UNLESS THERE IS A GUARANTEE THAT SOMETHING WILL COME OF IT."

NARR:

ALTHOUGH OFFICIALS ON BOTH SIDES REFUSED TO DISCLOSE DETAILS OF THE MOSCOW TALKS, U.S. OFFICIALS SAID THE ATMOSPHERE WAS WARM AND FRIENDLY, AND THEY MADE IT CLEAR THAT THE RECENT IMPROVEMENT IN SOVIET-AMERICAN RELATIONS IS CONTINUING. UNLIKE EARLIER ROUNDS OF TALKS NO SHARP DISAGREEMENTS OVER HUMAN RIGHTS OR AFRICAN POLICY INTRUDED ON THE SALT NEGOTIATIONS. A STATEMENT BY THE SOVIET NEWS AGENCY, TASS, SAID PRESIDENT BREZHNEV HAD CALLED SECRETARY VANCE'S ATTENTION TO PAST NEGATIVE MOMENTS IN SOVIET-AMERICAN RELATION AND HAD STRESSED THAT THE RESOLUTION OF DIFFERENCES WOULD BE IN THE INTEREST OF BOTH COUNTRIES.

MEANWHILE, A STATE DEPARTMENT SPOKESMAN CONFIRMED THAT THE SOVIET UNION AND THE UNITED STATES WILL MEET IN MEXICO CITY NEXT DECEMBER TO DISCUSS WAYS TO CURTAIL THE SALES OF CONVENTIONAL ARMS TO DEVELOPING COUNTRIES.

ANNCR:

AND THOSE ARE SOME OF THE STORIES THAT MADE HEADLINES THIS WEEK YOUR NARRATOR WAS _____. JOIN US NEXT--WHEN THE VOICE OF AMERICA TAKES A LOOK AT THE NEXT SEVEN DAYS OF THE WEEK.

WJL/PY/DL